

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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JMC FUEL SERVICES, INC.

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FE DOCKET NO. 92-138-NG

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ORDER GRANTING BLANKET AUTHORIZATION TO
EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 731

NOVEMBER 20, 1992

I. DESCRIPTION OF REQUEST

On November 6, 1992, JMC Fuel Services, Inc. (JMC) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA), requesting blanket authorization to export up to 12 Bcf of natural gas to Canada over a two-year term beginning on the date of first delivery after November 30, 1992, the date its current authorization expires. JMC Fuel, a Delaware corporation with its headquarters in Boston, Massachusetts, is a marketing company created to purchase and market natural gas in the United States and Canada.

II. FINDING

The application filed by JMC Fuel has been evaluated to determine if the proposed export arrangement meets the public interest requirements of section 3 of the NGA, as amended by section 201 of The Energy Policy Act of 1992 (P.L. 102-486). Under section 3(c), the export of natural gas to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by JMC Fuel to export natural gas to Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and is therefore consistent with the public interest.

ORDER

For the reasons set forth above, under section 3 of the Natural Gas Act, it is ordered that:

A. JMC Fuel Services, Inc. (JMC Fuel) is authorized to export to Canada, at any point on the international border, up to 12 Bcf of natural gas over a two-year term beginning on the date of first delivery after November 30, 1992, the date its current export authority expires.

B. Within two weeks after deliveries begin, JMC Fuel shall notify the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, in writing of the date that the first export delivery of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas exports authorized by this Order, JMC Fuel shall file with the Office of Fuels Programs, within 30 days following each calendar quarter, quarterly reports indicating whether exports of natural gas have been made. If no exports have been made, a report of "no activity" for that calendar quarter must be filed. If exports occur, JMC Fuel must report total monthly volumes in Mcf and the average purchase price per MMBtu at the international border. The reports shall also provide the details of each export transaction, including (1) the names of the seller(s); (2) the names of the purchasers; (3) the estimated or actual duration of the agreement(s); (4) the names of the U.S. transporter(s); (5) point(s) of exit; (6) the geographic market(s) served; and (7)

whether sales are being made on an interruptible or firm basis.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than January 30, 1993, and should cover the period from December 1, 1992, until the end of the current calendar quarter December 31, 1992.

Issued in Washington, D.C., on November 20, 1992.

Charles F. Vacek
Deputy Assistant Secretary
for Fuels Programs
Office of Fossil Energy